



CALPEEK

CALIFORNIA POLITICAL WEEK

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CAMPAIGN 2004: CALIF. LT. GOV. BUSTAMANTE AND DEMO CONSULTANT SOUTH SIGN WITH LIEBERMAN.

Editor's note: Demo presidential candidate Joe Lieberman has won the endorsement of Calif. Lt. Gov. Cruz Bustamante and has signed Gov. Gray Davis' former top political operative, Demo consultant Garry South. Here's our brief report and analysis...

...U.S. Sen. Joe Lieberman was on a ticket with former VP Al Gore that got 500,000 more popular votes than that of current Pres. George W. Bush and his running mate, VP Dick Cheney. And given his solid name ID, Lieberman should be way ahead of all rivals in this 9-person Demo field. But he's not. He does lead his rivals in most of the national polls, but in State-by-State presidential surveys, he's not always the frontrunner...

...In the past few weeks Lieberman has gotten some good ink in Calif. - first with getting the endorsement of Lt. Gov. Bustamante and then more recently signing Garry South as a senior advisor who will be based in Calif. Bustamante will give Lieberman an solid link to Calif.'s critical Latino voter base - both in the Central Valley and in So. Calif. Whether Bustamante will be able to persuade other key Latino Demos to join the Lieberman campaign remains to be seen...

...As for South, it's unclear how Davis' former top political operative will fit into the current Lieberman campaign structure: senior advisor is a vague title. Craig Smith is the cmp. director (a longtime Clinton political operative); Mandy Grunwald is the media consultant (she was one of the tv ad consultants with Clinton/Gore in 1992); and Mark Penn (Penn, Schoen & Berland) is the campaign pollster. Certainly South was a much sought after operative, with his contacts and knowledge of Calif. politics. However, as numerous sources note, the whole Demo primary process could be over by the time the March 2nd Calif. primary occurs...

...Overall, most sources think Lieberman (a former leader of the DLC) is too moderate for the Demo base. "He's a much stronger general election candidate than a primary candidate," one Calpeek source noted. But there are other

Demos who insist that to beat Pres. Bush the Demos must nominate a centrist Democrat. Some say Lieberman wears that hat better than his eight opponents...

...And how does Lieberman stand right now? He's trailing in Iowa; is 4th in New Hampshire; but leads in So. Carolina. U.S. Senators John Kerry & John Edwards and U.S. Rep. Dick Gephardt are ahead of Lieberman in fundraising...

...FYI: while Calpeek has just listed the first top 3 primary battles, there's another "race" which is just as important. It's the battle which will occur inside network tv newsrooms. TV will winnow out candidates that don't fair well in the first 2 contests. "TV injects momentum into the campaign and by the 3rd primary we may know who the nominee is," says one neutral observer. Stay tuned...

RECALL DRIVE IMPACTING LEGISLATION AND THE BUDGET. LIST OF POTENTIAL CANDIDATES GROWS.

Editor's note: The recall drive against CA Gov. Gray Davis (D) is now beginning to make national news. Many sources now believe it will qualify, but they aren't sure when a recall election would occur: fall or March 2nd. Two things our Calpeek sources are sure about: 1) the recall is impacting the governor's policies and his budget decisions; and 2) the list of potential Demo and GOP candidates who want to run is growing. Here's our update, analysis & commentary...

...Is the recall forcing Gov. Davis to the left when it comes to certain bills and the budget? YES. There's little doubt that Davis' restoration of previous budget cuts was done to shore up his Demo base. Had there been no recall, the cuts undoubtedly would have remained. As for certain bills, there are two good examples of what's happening...

...For the past three years State Sen. Jackie Speier (D-San Mateo) has been trying to pass a bill tougher than the Federal law to bar sharing of personal information among financial institutions. And for three years Gov. Davis has been using his Demo allies in the Assembly to block Speier. There's no doubt that SB 1 (the financial privacy bill) is a

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hot issue. About 10 days ago, Gov. Davis and Speier held a news conference where Davis said he now supported the bill. Like the budget, our sources believe Davis again did this to beef up his voter base – in light of the recall. Had there been no recall, these same sources are sure he would have remained silent about SB 1...

...The other hot issue is drivers licenses for people who are in the U.S. legally, but can't get a social security number which is required for a drivers license. Twice before State Sen. Gil Cedillo(D-L.A.) thought he had his legislation fixed to please Davis, only to see the governor veto his bill. Cedillo's SB 60 wasn't moving again this year until a fix was found by Demo State Sen. Debra Bowen of Torrance. Bowen's fix: either a SSN or a TIN (Taxpayer Identification Number) is needed to get the license. The TIN is issued by the IRS and it covers most all of the people Cedillo wants to include. If it's good enough for the IRS, then it ought to be good enough for Davis. If SB 60 is vetoed this time, Davis will be removed from office. The previous drivers license veto in 2002 probably cost Davis between 300,000 to 500,000 Latino votes...

...The List: it's getting longer each day. On the GOP side, U.S. Rep. Darrell Issa will not be alone. Businessman and immediate past GOP gubernatorial nominee Bill Simon Jr. is said to be 90% sure of running. Also looking seriously and probably running is State Sen. Tom McClintock. In the *I'm still looking it over* category are actor Arnold Schwarzenegger and perhaps former L.A. Mayor Richard Riordan, although *Calpeek* sources think Riordan is very much preoccupied with getting his newspaper off the ground. Of the two, Schwarzenegger is the more serious. Bill Jones name has surfaced too...

...On the Demo side, Gov. Davis, if he had his wish, would prefer no Demos to run. Odds of that happening are slim to none. If the Demos were smart (sometimes), they'd find a consensus candidate – such as U.S. Sen. Dianne Feinstein. GOPers have admitted to *Calpeek* that DiFi would be the most formidable candidate the Demos could put up. But if DiFi were to take a pass, then the list of Demos is long, starting with Lt. Gov. Cruz Bustamante, AG Bill Lockyer, Treas. Phil Angelides. A new Demo name added to the mix is Senate Pres. John Burton. Stay tuned...

LET'S GET THOSE DIRECTORY QUESTIONNAIRES IN

The clock is running and it's getting late. So all you consultants, pollsters, fundraisers who are *Calpeek* subscribers who have not returned your questionnaires for the Directory of Campaign Consultants – get 'em in pronto.

CALIF. BUDGET WARS: GETTING A NEW BUDGET IN PLACE WILL BE UP TO JIM BRULTE & JOHN BURTON

Editor's note: As has been noted in several editorials, Gov. Gray Davis(D) isn't taking the kind of leadership role in resolving the current budget impasse – mainly because he's totally preoccupied with the recall drive against him. Thus it will be up to Senate President John Burton(D) and GOP Senate Leader Jim Brulte to cut some kind of budget deal that will get the necessary 2/3rds vote. Here's our analysis & commentary...

...Most news accounts predict the June 15th date when the CA Legislature is supposed to submit a \$98 billion budget to Gov. Davis will come and go without any agreement on how to close a \$38 billion deficit. *Calpeek* shares that assessment. The Legislative Demos, led by Burton and lame duck Assembly Speaker Herb Wesson, go into political convulsions at the very mention of making more cuts in spending programs. Legislative GOPers are just as bad when it comes to opposing tax hikes...

...“Everyone assumes Burton and Brulte are grown ups – when in fact they have not been behaving like that,” one Capitol source told *Calpeek*. That was a reference to Brulte's threat to run a primary challenge against any GOP lawmaker who breaks ranks to vote for tax hikes. It is a threat that GOPers take seriously. Brulte's statement infuriated Burton and other Demos and set off a round of nasty editorials aimed at the Rancho Cucamonga GOPER. And then there was this email called *Party Watch* – very similar to *Parsky Watch* – only the target was Brulte. *Party Watch's* email suggests that Brulte's tough talk “Sounds to us more like the kickoff of the Brulte for CRP Chairman campaign, an obvious pandering to the Party's conservative base.” Wonder who authored this attack?? It was not a Demo. Could it be coming from a Calif. Republican Party official who feels threatened by Brulte???

...Why the Brulte threat? Last year Burton made Brulte look bad when he persuaded *termed out* GOP State Sen. Maurice Johannessen to cross over party lines to vote for the budget. Brulte was furious. This year Brulte is making a preemptive strike to outgun Burton. The guy who is trying to find a middle ground is Demo Speaker Wesson, but right now there doesn't seem to be any compromises in the works. And of course the longer the standoff continues, the better things look for a constitutional amendment to change the budget process, from the current 2/3rds vote to a 55% vote (*Budget Accountability Act of 2004*). Stay tuned...

CAMPAIGN 2003: NEW POLL IN S.F. MAYOR'S RACE.

Editor's note: There's some new polling on the San Francisco mayor's race, but there's nothing dramatically different from a previous poll published in *Calpeek* several weeks ago. And S.F. City Treasurer Susan Leal is up on tv with the first ad of the campaign. Here is our brief update & analysis...

...The poll by Binder Research was taken May 8-12 among 600 likely S.F. voters. We'll run this poll side-by-side with another survey taken a few weeks before (and run in *Calpeek* on May 12th) – for comparison:

	<u>Binder Poll</u>	<u>Previous Poll</u>
Gavin Newsom	38%	35%
Tom Ammiano	19%	22%
Angela Alioto	14%	13%
Susan Leal	7%	5%
Tony Ribera	4%	2%
Tony Hall	2%	-
other	2%	-
none of above	1%	-
Undecided	15%	-

...The consensus is that Sup. Gavin Newsom has consolidated his base of support, while Sup. Tom Ammiano's hold on 2nd place is *slipping*. Former Sup. Angela Alioto is now only 5 pt. behind Ammiano. And while City Treas. Susan Leal is up 2 pts., this is the third poll to show her in single digits. Leal is 12 pts. away from Ammiano...

...Leal has gotten most of the recent political buzz with her \$120,000 tv purchase of a :30-sec. ad + a 100,000 8-page direct mail piece. Rivals call the tv campaign a "viability buy" to shore up her base and perhaps pick up some points on the rest of the mayoral field. Sources say time is beginning to run out on Leal unless she can make a break through to the 2nd tier...

...FYI: S.F. City's chief elections officer John Arntz in a *Matier & Ross* column in the *S.F. Chron* says the city's instant runoff system *isn't* ready to go for the November election. Stay tuned...

CAMPAIGN 2004: CALIFORNIA INITIATIVE UPDATE.

Editor's note: Here's another update about initiatives that are either on the 2004 ballot or trying to qualify...

◆ ***Budget Accountability Act*** – There are 2 versions of this constitutional amendment awaiting title & summary at the AG's office. When it hits the street, Kimball Petition Management will handle the signature drive. The initiative proposes to reform the current and broken budget process

by killing off the salaries and per diem expenses of the CA Legislature and governor until a budget is in place; require only a 55% vote to pass the budget OR new taxes – but the taxes would only be temporary; require the establishment of a 5% reserve. The coalition backing the BAA includes the CA Congress of Seniors, LWV, Health Access, the CA PTA and organized labor. Kaufman Campaign Consultants will run the YES campaign...

...On the NO side is Burlingame-based Woodward & McDowell. The official committee opposing BAA is called *Californians Against Higher Taxes, a coalition of taxpayers, consumers, businesses and retailers*. At this point it is unclear whether the key members of this coalition (read that as the CA Chamber of Commerce and the CA Taxpayers Assn.) will push an initiative of their own. They have 5 versions of an initiative dealing with *fees* (a rehash of Prop. 37 - an attempt to overturn the Sinclair Paint court ruling) awaiting title & summary at the AG's office. A decision on whether to qualify one of these 5 fee initiatives will be made soon – perhaps by June 16th or 17th. Stay tuned...

CAMPAIGN 2004: UPDATE ON LEGISLATIVE RACES.

Editor's note: Here is *Part XIII* in our continuing series of updates about key Calif. Legislative primaries for 2004...

☒ **7th AD** – In this No. Calif. Demo-leaning AD there are 3 announced Demos seeking to replace *termed out* Assemblywoman Patricia Wiggins of Santa Rosa. The candidates include Santa Rosa School Bd. member Jim Leddy; Napa Co. planning commissioner Jim King; and St. Helena Councilman Eric Sklar. Another name which has surfaced is that of Santa Rosa Councilwoman Noreen Evans. Prior to her election to the 7th AD, Wiggins served on the council with Evans. At this point Wiggins is neutral. Leddy has picked up some key labor endorsements (IBEW Local 551, Teamsters Local 624, Carpenters 751/180) + the Sonoma Co. Law Enforcement Assn. and the Sonoma Co. DSA. Leddy also has been endorsed by his current boss, State Sen. Wes Chesbro. Leddy is also backed by U.S. Reps. Mike Thompson and Lynn Woolsey. Leddy has hired S.F.-based Staton & Hughes has his campaign consultant...

☒ ***JohnsonClark vs. Gilliard Blanning Wysocki*** – Just in case you're keeping score, these two Sacto-based GOP campaign firms are locked into 4 tough legislative primary battles thus far. They include: 35th SD – Ken Maddox (J/C) vs. John Campbell (GB&W); 70th AD – Chuck DeVore (J/C) vs. Cristi Cristich (GB&W); 73rd AD – Tom Wilson (J/C) vs. Mimi Walters (GB&W); and 68th AD – Van Tran (J/C) vs. Mark Leyes (GB &W)...

☒ **35th SD** – In the battle to replace *termed out* State Sen. Ross Johnson(R), Assemblyman Ken Maddox now touts the endorsement of Orange Co. Sup. Jim Silva while his GOP rival, Assemblyman John Campbell has the backing of former Assembly Speaker and now Anaheim Mayor Curt Pringle. FYI: this contest is getting very bitter. Lastest hit from Maddox against Campbell is about Campbell missing 57% of the Assembly's votes – this according to the *Orange Co. Register*...

☒ **33rd AD** – The GOP primary battle to replace Assemblyman Abel Maldonado(R-San Luis Obispo) could be heating up with the entry of conservative Matt Kokkonen into the primary vs. frontrunner Sam Blakeslee, a businessman from SLO and a Cuesta Community College trustee. Kokkonen is linking his campaign to the recall against Gov. Gray Davis. Kokkonen's hired consultant Andrew Russo. Kokkonen's platform: no tax hikes; parental choice in education (read that as vouchers); and a 25% cut in legislative pay...

☒ **35th AD** – No GOPers have surfaced in this coastal AD now represented by *termed out* Assemblywoman Hanna Beth Jackson(D-Santa Barbara), but Jackson has endorsed the Demo frontrunner, attorney and former deputy DA from Fresno and Santa Barbara counties, Pedro Nava. Nava has also been endorsed by Ventura Co. Supes John Flynn and Kathy Long, Santa Barbara Co. Supes Gail Marshall, Susan Rose and Naomi Schwartz + Oxnard Mayor Manuel Lopez. Nava has also won an endorsement from CA Supt. of Public Inst. Jack O'Connell, who represented this area when he was in both the Assembly and State Senate. And Nava is also a member of the CA Coastal Commission. Wonder what his position is on Jackson's AB 947 – which would prohibit coastal residents from rebuilding seawalls, berms, barriers or other protections when they get washed away by *El Nino* type waves – thus leaving the homes along the beach totally defenseless from huge waves and high tides? Stay tuned...

CALPEEK'S INFOBAHN:- POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ ***El Toro Airport? Don't Think So*** – Orange Co. officials and anti-airport types were ready to march north against the City of L.A. when they found out that L.A. had written a secret memo to the U.S. Dept. of Transportation, asking DOT to take over El Toro and then lease it to L.A. as an airport. "L.A.'s proposal is DOA," said one anti-airport insider. "It's a hail Mary pass because the Federal agencies have already said NO..."

■ ***Calif. Business Roundtable Opposes Recall*** – At its June 3rd Board of Directors meeting in L.A., the 23 members voted unanimously to oppose the placing of a recall measure on the ballot...

■ ***Cost of Campaigning in L.A.*** – In 1989 it cost a city council candidate about \$6.46 per vote received, according to an interesting *L.A. Daily News* story by Harrison Sheppard (6/8/03). This year the cost per vote to run for the council zoomed to \$41.77...

■ ***Calif. Primary Back to June?*** – If State Sen. Ross Johnson(R-Orange Co.) and Assemblyman John Longville (D-Rialto) have their way, the regular Calif. primary for Legislative & U.S. House + Statewide races would be in June – not March, as is presently the law. The presidential primary would remain in March. Longville's bill would take effect in 2004, while Johnson's bill would not start until 2008. Both measures are still alive...

CALPEEK'S CALENDAR OF POLITICAL EVENTS

June 23	L.A. Council Pres. Alex Padilla addresses the CA Lexington Group, 12 p.m., Napa Valley Grille, West L.A. Info (310)489-3280.
June 26	Demo presidential debate at UCLA (Ackerman Grand Ballroom) 5-6:30 p.m. Sponsored by CLCV & LCV. Info (510)763-5616.
July 23-26	Nat'l Conf. of State Legislatures annual meeting, S.F.
July 26-28	DLC Nat'l Convention, Philadelphia, PA
July 29-Aug. 1	Council of State Govts-West annual meeting, Honolulu, HI. (916)553-4423 for info.
Nov. 4	S.F. Muni Election + other cities

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